



# Housing Authority of the City of Alameda

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To: Honorable Chair and  
Members of the Board of Commissioners

From: John Russo  
Chief Executive Officer

Date: July 5, 2011

Re: Adopt a Resolution to Amend the Housing Authority Budget to Increase Funding for CIP GF3-10 by \$93,600; Increase and Amend the Architectural Contract by \$32,800 Including Contingencies; Award the Contract to N.S. Construction and Painting in the Amount of \$580,800 Including Contingencies, and Authorize the Executive Director to Execute the Contract and Amendment

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## BACKGROUND

The Fiscal Year 2012 Capital Improvement Project (CIP) budget includes the exterior and interior renovations of the Housing Authority office building. Since March 2010, the original Housing Authority office architect, Kodama-Diseno, has been under contract to develop plans and specifications for this work. Additionally, staff has retained the services of K2A Architects to work with staff for a redesign of the reception area. To date, the Housing Authority has expended \$40,541 toward this design work, survey, and City fees. The project is being fast tracked to allow the Housing Authority to begin construction of the interior modifications while the exterior work is still going through Community Development Department approval, thereby minimizing construction delays.

## DISCUSSION

On April 15, 2011, the Housing Authority issued an Invitation for Bids (IFB) for exterior and interior renovations of the Housing Authority office building. A public notice was placed in the local newspaper and on the Housing Authority's website. In addition, all contractors that have requested placement on the Housing Authority's list of potential contractors for this type of work and all Alameda contractors with a relevant business license were contacted about the IFB.

A mandatory pre-bid conference was held on April 26, 2011, to provide interested contractors the opportunity to inspect the Housing Authority office building. Eleven contracting firms attended this pre-bid conference. Contractors were informed that this project consisted of Phase One work for the installation of a new conference room; Phase Two work to convert the existing bathrooms to meet current Americans with Disabilities Act (ADA) requirements and the addition of new work spaces.



Phase Three work to expand the front of the office building to accommodate additional work spaces; and finally Phase Four to replace the light weight concrete sub-floor and finished flooring of the existing second floor work space. Phase Three work requires a Planning Board meeting and approval, which is scheduled for July 11, 2011. Anticipating a positive outcome of this meeting, additional funding has been included to complete this phase of the project.

On June 1, 2011, four bids were received and publicly opened, and the results are as follows:

CONTRACTOR	LOCATION	BID AMOUNT
A and E Emaar	Albany, CA	\$500,000
N.S. Construction and Painting	Danville, CA	\$528,000
B Side	Oakland, CA	\$703,300
Romkon, Inc.	San Francisco, CA	\$752,000

The apparent low bidder, A and E Emaar, did not provide costs for all phases of this project and, therefore, this contractor's bid has been deemed as non-responsive.

The second lowest bidder, N.S. Construction and Painting, has not worked with the Housing Authority on any previous projects. Staff has checked this contractor's references with no negative findings. Staff has also met with and discussed all contract and construction requirements with N.S Construction and Painting. The company will provide the Housing Authority with all necessary insurance documentation and proof of a City of Alameda Business license. Bonding requirements will be met prior to commencement of work.

The Housing Commission approved this report at its June 15, 2011 meeting.

#### FINANCIAL IMPACT

The FY 2012 budget provides \$520,000 for the expansion of the Housing Authority office building. The budget will need to be amended to increase the CIP line item for this project by \$93,600. The base construction bid will require an additional \$8,000; a 10 percent contingency (\$52,800) is recommended for potential Change Orders, which will increase the construction contract to a not to exceed amount of \$580,800. An amendment and increase of \$32,800 is recommended for the architectural contract to address construction administration and any changes to Phase Three as a result of the Planning Board process. This will increase the total project budget for Fiscal Years 2011 and 2012 to \$654,141.

The Housing Authority has an adequate reserve to cover this additional cost for this project. Overall, the impact on the budget will be to increase CIP's for FY 2012 to a total of \$1,821,419.



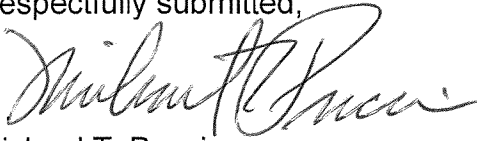
RECOMMENDATION

Adopt a resolution to increase the Fiscal Year 2012 CIP GF3-10 budget by \$93,600 to \$613,141 for the expansion of the Housing Authority office building and additional architectural services (Budget Revision No. 4).

Amend and increase the Architectural contract by \$32,800 to \$65,800 including contingencies.

Award the contract to N.S. Construction and Painting in the amount of \$580,800 including contingencies and authorize the Executive Director to execute the contract and amendment.

Respectfully submitted,



Michael T. Pucci  
Executive Director

Exhibits:

1. Contract with N.S. Construction and Painting on file in the City Clerk's office



Housing Authority of the City of Alameda

*Resolution No. \_\_\_\_\_*

APPROVING AND ADOPTING  
HOUSING AUTHORITY BUDGET REVISION NO. 4  
FOR THE FISCAL YEAR  
JULY 1, 2011, TO JUNE 30, 2012

**WHEREAS**, the Chief Executive Officer has submitted a proposed budget revision to the Board of Commissioners of the Housing Authority of the City of Alameda; and

**WHEREAS**, the Housing Authority has sufficient operating reserves to meet the working capital needs of its properties; and

**WHEREAS**, the proposed budget includes expenditures that are necessary for the efficient and economical operation of the housing for the purpose of serving low-income residents; and

**WHEREAS**, the proposed revised budget indicates a source of funds adequate to cover all proposed expenditures; and

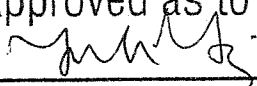
**WHEREAS**, the Housing Authority will comply with all state and federal wage rate requirements and requirements for access to records and audits;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Commissioners of the Housing Authority of the City of Alameda hereby adopts Budget Revision No. 4 as submitted for the fiscal years starting July 1, 2011.

ATTEST:

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Michael T. Pucci  
Executive Director / Secretary

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Marie Gilmore, Chair  
Board of Commissioners

Approved as to Form  
  
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ASSISTANT GENERAL COUNSEL